



AMO
Policy



AMO Policy Update – Special Economic Zones Advocacy, CWELCC Program Extended, Pothole Prevention and Repair Program, New Road Safety Initiatives Fund

Top Insights

- AMO's submission to provincial consultation on special economic zones calls for a collaborative consultation process that includes municipalities and Indigenous communities.
- It is positive news that the Canada-Ontario funding agreement for child care and early years programming has been extended for one year, though a longer-term agreement is needed.
- A new Pothole Prevention and Repair Program for small municipalities is open for applications.
- New \$210M Road Safety Initiatives Fund announced. AMO is working with the province to understand how it will fund new road safety measures, and if municipalities will be reimbursed for the cost of cancelling existing speed camera programs.

AMO Reinforces the Importance of Municipal Engagement for Special Economic Zones

AMO has [submitted comments](#) to the Environmental Registry [consultation](#) seeking feedback on proposed criteria for special economic zones (SEZs). AMO is calling on the province to use SEZs:

- In situations where approvals cannot be otherwise expedited.

- In collaboration with the host municipality, alongside the province, project proponent, and affected Indigenous communities.
- With a formal municipal support resolution where projects consider high-risk exemptions, including exemptions from source water and drinking water protections, municipal revenue collection bylaws, and where exemptions to land-use control could irreversibly damage critical assets like agricultural land and environmentally significant areas.

While AMO supports bold action to strengthen Ontario's economy in the context of shifting global trade, our submission underlines the importance of ensuring that host municipalities experience the economic benefits of SEZs. We also strongly support Indigenous communities in their calls for the province to uphold treaty rights and maintain strong environmental protections.

Child Care and Early Learning Funding Agreement Extended

The provincial and federal governments have negotiated a one-year extension to continue to implement the Canada-wide Early Learning and Child Care (CWELCC) program for Ontario. The program was set to expire on March 31, 2026, and the extension ensures continuity of the program for the coming year. The extension keeps fees at their current average of \$19 per day, and a maximum of \$22 per day.

Sustaining the program is core to supporting families and benefiting children and their parents by maintaining access to more affordable and inclusive childcare and early years programming. Looking ahead, governments need to work toward a longer-term agreement beyond the current 2026 extension to provide stability to children and their parents, including reaching the affordability goal of \$10 per day and creating spaces to meet the demand.

Pothole Prevention and Repair Program

The province has launched a new Pothole Prevention and Repair Program for municipalities with populations up to 10,000 people. Eligible municipalities can receive up to \$38,000 for projects.

Municipalities across Ontario have a substantial infrastructure maintenance and repair backlog, and roads represent the largest share of this gap. Targeted funding to smaller municipalities with limited resources allows them to address and prevent pothole related issues.

Applications for the [Pothole Prevention and Repair Program](#) are now open. Eligible municipalities can apply through the [Transfer Payment Ontario portal](#) until December 12, 2025.

New Road Safety Initiatives Fund

The government [announced](#) details about the new \$210M Road Safety Initiatives Fund (RSIF) following the province-wide cancellation of municipal Automated Speed Enforcement (ASE). AMO has worked with municipalities to develop fund design recommendations and gather ASE cancellation cost data. We continue to advocate for adequate funding to fairly reimburse municipalities for cancellation costs, and for flexibility and local choice in the RSIF to ensure municipalities can implement the most effective traffic calming measures in their communities. AMO continues to engage with the Ministry of Transportation on ASE and the fund to advance this advocacy.

An online version of this Policy Update is also available on the [AMO Website](#).

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